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PATENT LAW OFFICES OF DAVID MILLERS
1221 Sun Ridge Road
Placerville CA 95667

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SEP 22 2011

OFFICE OF PETITIONS

In re Patent No. 6,363,036 :
Issued: March 26, 2002 :
Application No. 09/474,522 : ON PETITION
Filed: December 29, 1999 :
Atty. Dkt. No.: LTL001US :

This is a decision on the petition and supplement under 37 CFR 1.378(e), filed November 19, 2010 and August 12, 2011.

The petition is **DENIED**¹.

BACKGROUND

The patent issued March 26, 2002. The 3.5 year maintenance fee could have been paid from March 26, 2005 to September 26, 2005 without a surcharge or from September 27, 2005 to March 26, 2006 with a surcharge. The maintenance fee, however, was not submitted. Accordingly, the patent expired March 26, 2006 for failure to timely submit the 3.5-year maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed March 26, 2010. A decision dismissing the petition under 37 CFR 1.378(b) was mailed September 21, 2010 and is hereby incorporated by reference.

STATUTE, REGULATION, AND EXAMINING PROCEDURE

In accordance with 35 USC 41(c)(1), "[t]he Director may accept the payment of any maintenance fee required by subsection (b) of this section which is made within twenty-four months after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unintentional, or at any time after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable. The Director may require the payment of a surcharge as a condition of accepting payment of any maintenance fee after the six-month grace period. If the Director accepts payment of a maintenance fee after the six-month grace period, the patent shall be considered as not having expired at the end of the grace period."

¹ This decision may be viewed as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. *See*, MPEP 1002.02.

In accordance with 37 CFR 1.378(b), “[a]ny petition to accept an unavoidably delayed payment of a maintenance fee filed under paragraph (a) of this section must include: (1) The required maintenance fee set forth in § 1.20 (e) through (g); (2) The surcharge set forth in § 1.20(i)(1); and (3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.”

FACTS

Petitioner under 37 CFR 1.378(e) in seeking reconsideration of the decision under 37 CFR 1.378(b) attributes the failure to timely pay the maintenance fee to actions and inactions of patentee’s former attorney John W. Eldredge.

Petitioner asserts that LightTime, LLC is the owner of the instant patent. Attorney Eldredge, Vice President and General Counsel for LightTime, LLC, provided periodic status reports to the President and CEO of LightTime, LLC, Clark Caflisch. The petition and exhibits assert that various fees were paid to Attorney Eldredge between 2005 and 2006. Mr. Caflisch met with Attorney Eldredge most recently on December 3, 2008. Attorney Eldredge never advised Mr. Caflisch that the maintenance fee for the instant patent was due.

Mr. Caflisch has been unable to make contact with Attorney Eldredge via telephone or email since on or about May 1, 2009. Patentee hired new patent counsel, David Millers, on or about December 1, 2009. Patentee was informed by counsel on or about December 15, 2009 that the instant patent was expired.

Petitioner has provided copies of several spreadsheets provided to Mr. Caflisch by Attorney Eldredge. The spreadsheets found at Exhibits B, C, and D purport to show that the status of the instant patent. Petitioner has further provided at Exhibit E, a copy of status report, which Mr. Caflisch states was given to him on or about April 8, 2003 by Attorney Eldredge. The status report at Exhibit E denotes, *inter alia*, that the maintenance fee due date for the instant patent is September 26, 2005.

Mr. Caflisch indicates that instructions to handle patent matters such as payments of maintenance fees were conveyed to him by Attorney Eldredge. Mr. Caflisch indicates that Attorney Eldredge never advised that the maintenance fee for the instant patent was due; therefore, Mr. Caflisch never gave Attorney Eldredge instructions to pay the maintenance fee.

OPINION

The Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to have been “unavoidable.”² Moreover, a late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35

² 35 U.S.C. 41(c)(1).

U.S.C. 133 because 35 U.S.C. 41(c)(1) uses the identical language, i.e., “unavoidable” delay³. Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable⁴. Further, decisions on revival are made on a “case-by-case basis, taking all the fact and circumstances into account⁵.” Finally, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay⁶.

In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. Ray, 55 F.3d at 608-609, 34 USPQ2d at 1787. It is incumbent upon the patent owner to implement steps to schedule and pay the fee, or obligate another to do so. See California Medical Products v. Technol. Med. Prod., 921 F.Supp 1219, 1259 (D. Del. 1995). That is, 37 CFR 1.378(b)(3) requires a showing of the steps in place to pay the maintenance fee, and the record currently lacks a sufficient showing that any steps were employed by petitioner or anyone else. In the absence of a showing that patentee or anyone else was engaged in tracking the maintenance fee due dates, and that party had in fact been tracking the due dates with a reliable tracking system, such as would be used by prudent and careful men in relation to their most important business, petitioner cannot reasonably show that the delay was unavoidable delay. In re Katrapat, 6 USPQ2d 1863, 1867-1868 (Comm’r Pat. 1988); California, *supra*.

In essence, patentee must show that he was aware of the need to pay the maintenance fee, and to that end was tracking it, or had engaged someone to track it before the expiration, but when the fee came due, was “unavoidably” prevented from making the maintenance fee payment from the time the payment was due until the filing of a grantable petition. Petitioner has failed to meet this burden.

Patentee, who is ultimately responsible for ensuring that the maintenance fee would be timely paid, has failed to establish that there was a system in place that would ensure that the maintenance fee would be timely paid. To the extent that patentee relied on Attorney Eldredge to advise of the maintenance fee due date, there is no evidence in the record that establishes that Attorney Eldredge had a system in place to track the maintenance fee due date.

The copies of documents provided at Exhibits B, C, D, and E appear to be status reports given to patentee at various times prior to and subsequent to the maintenance fee due date. Nothing in these documents leads to the conclusion that they were part of a system in place by Attorney Eldredge to track the maintenance fee due date.

Furthermore, the status report found at Exhibit E, which Mr. Caflisch acknowledges receiving prior to the maintenance fee due date, clearly indicates that there will be a maintenance fee due

³ See, Ray v. Lehman, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm’r Pat. 1988)).

⁴ See, Ex parte Pratt, 1887 Dec. Comm’r Pat. 31, 32-33 (Comm’r Pat. 1887)(the term “unavoidable” “is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business”; In re Mattullath, 38 App. D.C. 497, 514-515 (D.C. Cir. 1912), Ex parte Henrich, 1913 Dec. Comm’r Pat. 139, 141 (Comm’r Pat. 1913).

⁵ See, Smith v. Mossinghoff, 671 F.2d 533, 213 USPQ 977, 982 (D.C. Cir. 1982).

⁶ See, Haines v. Quigg, 673 F.Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

in the instant patent. Thus, Attorney Eldredge did give patentee notice of the pending maintenance fee due date. There is no explanation given for why patentee did not take action to pay the maintenance fee, having been given notice of the maintenance fee due date by Attorney Eldredge by way of the status report found at Exhibit E. Further, there is nothing in the record to establish that the status report was not the extent of Attorney Eldredge's obligation to patentee as concerns the maintenance fee.

To the extent that patentee engaged Attorney Eldredge to track the maintenance fee due date for the instant patent, there is nothing in the record that establishes that Attorney Eldredge had steps in place to ensure timely payment of the maintenance fee. Thus, it cannot be found that it was reasonable for patentee to rely on Attorney Eldredge for the purpose of tracking the maintenance fee. Further, there is nothing in the record to establish that patentee, who bears the ultimate responsibility for ensuring timely payment of the maintenance fee, made specific inquiry of Attorney Eldredge to determine when and if the maintenance fee was due, despite having received a status report advising patentee of the maintenance fee due date.

The status reports found at Exhibits B, C, D, and E do not in and of themselves establish that Attorney Eldredge was maintaining a system with the purpose of tracking the maintenance fee and advising patentee of its due date. The declarations provided on petition do not speak to a system in place to track the maintenance fee due date. The declarations discuss periodic meetings with Attorney Eldredge where it does not appear that the maintenance fee was even a focus of discussion. Frankly, absent a finding that Attorney Eldredge, who was engaged to advise patentee on patent matters, had in place a system to track the maintenance fee due, it cannot be found that the failure to pay the maintenance fee was unavoidably delayed.

Patentee advises of "periodic" status updates from Attorney Eldredge and reference dealings with Attorney Eldredge in 2005 or 2006 and 2008. By 2009, patentee was out of contact with Attorney Eldredge. This lack of miscommunication, in essence, a failure to communicate adequately, between Attorney Eldredge and patentee is immaterial in the absence of a showing that (1) the miscommunication could not be avoided and (2) failure to timely pay the maintenance fee was not due to a lack of any steps in place to pay the fee. A failure in communication is not considered to be unavoidable delay. See, In re Kim, 12 USPQ 2d 1595, (Comm. Pat. 1988).

It cannot be concluded that the miscommunication between patentee and Attorney Eldredge could not have been avoided because petitioner makes no explanation as to why patentee only had "periodic" dealings with Attorney Eldredge.

Further, it cannot be concluded that Attorney Eldredge had steps in place to track the maintenance fee due date as petitioner fails to make a sufficient showing to this effect.

In view of the totality of evidence of record, it cannot be found that the entire period of time, from the time that the maintenance fee was due until the filing of the instant petition, was unavoidable within the meaning of 35 USC 41 and 37 CFR 1.378(b).

DECISION

The prior decision dismissing petition under 37 CFR 1.378(b) to accept delayed payment of maintenance fee has been reconsidered. For the reasons set forth herein the delay in payment of the maintenance fee cannot be regarded a unavoidable within the meaning of 35 USC 41 and 37 CFR 1.378(b). Accordingly, the offer to pay the delayed maintenance fee will not be accepted and this patent will not be reinstated.

As the petition for reconsideration of the refusal to reinstate the patent has been denied, the USPTO is precluded from retaining the previously submitted maintenance fee in the amount of \$1,190.00. Petitioner is therefore entitled to a refund. Petitioner may request a refund of \$1,190.00 by writing to the Finance Office, Refund Section. A copy of this decision should accompany any request for refund.

Telephone inquiries concerning this matter may be directed to Attorney Advisor Alesia M. Brown at 571-272-3205.



Anthony Knight
Director
Office of Petitions